

USAREUR NAF Living Quarters Allowance (LQA) Policy
(Extract from Army in Europe Regulation 215-3 dated 31 March 2003)

18. ALLOWANCES AND DIFFERENTIALS

Except as otherwise stated in this paragraph or in the terms of a servicing agreement, foreign allowances and differentials are authorized under the provisions of the Department of State Standardized Regulations (Government Civilians, Foreign Areas) (DSSR) and DOD 1400.25-M, chapter 1200, subchapter 1250, for NAF employees serviced by the Civilian Human Resource Management Agency (CHRNA). A determination of eligibility will be made by the servicing CPAC each time an employee changes positions.

a. Quarters Allowance Eligibility.

(1) Living quarters allowance (LQA) and temporary quarters subsistence allowance (TQSA) are authorized for individuals recruited from the United States for NAF regular full-time positions at any pay level or grade when the period of residency in the United States immediately preceding the date of appointment was at least 12 months.

(a) On subsequent voluntary change to a pay level or grade below that for which initially recruited, the quarters allowance authorization terminates. LQA terminated under this provision will be reinstated on the effective date of appointment without a break in service of more than 3 days to a position at NF-4 or above, or NF-3 or above in the 1701 occupational series in the Child and Youth Services (CYS) Program.

(b) On subsequent involuntary change to a lower grade or pay level for reasons not related to conduct or performance, the quarters allowance authorization continues.

(c) Individuals recruited on regular limited tenure appointments are authorized LQA only for the scheduled term of the initial appointment. LQA may be continued if the provisions of (2) below are met.

(d) A waiver of the 12-month residency requirement may be requested when there is clear and compelling evidence of a substantive period of permanent residence and place of domicile in the United States by the individual, the individual's immediate family, and the individual's household goods (HHG) before the individual applies for employment. Requests for waiver must be endorsed by the area support group (ASG) commander, activity commander for separate activities, or HQ USAREUR/7A staff principal, and will be sent to the USAREUR G1 (AEAGA-CN), Unit 29351, APO AE 09014-9351, for consideration. Waivers will not be approved if there is indication that U.S. residency of under 12 months was established for the purpose of acquiring LQA in deliberate circumvention of the 12-month requirement.

(2) LQA and TQSA are authorized for individuals recruited outside the United States for CHRMA-serviced, regular full-time positions if, at the time of appointment, the individual is receiving a quarters allowance as a regular NAF employee of a NAFI, as an APF Federal-service employee of any agency, or as a military member, and is appointed without a break in service of more than 3 days to a position at pay level NF-4 or above, or NF-3 or above in the 1701 occupational series in the CYS Program. The limit stated in subparagraph (4)(b) below applies.

(a) On subsequent voluntary change to a lower pay level, the quarters allowance authorization terminates. LQA terminated under this provision will be reinstated on the effective date of appointment without a break in service of more than 3 days to a position at pay level NF-4 or above, or NF-3 or above in the 1701 occupational series in the CYS Program.

(b) On subsequent involuntary change to a lower pay level for reasons not related to conduct or performance, the quarters allowance entitlement continues.

(3) LQA and TQSA are authorized for individuals recruited outside the United States for regular full-time positions designated as hard-to-fill if they meet the eligibility criteria of the DSSR, section 031.1. LQA granted under this provision is limited to the period of assignment in the position. Designation of a hard-to-fill position requires approval of the USAREUR G1 (AEAGA-CN) and will be based on a written request with documentation showing that worldwide, open recruitment has not produced the necessary numbers or quality of candidates.

(4) Employees receiving LQA based on having met the eligibility criteria at the time of initial selection, but who do not meet the criteria of this regulation, are authorized to continue receiving LQA as long as they remain employed without a break in service of more than 3 days.

(a) This provision will not extend or reinstate payment of LQA when termination of payment has been directed by law, regulation, or policy.

(b) Employees whose LQA was based on a management-directed reassignment, as authorized by regulation, retain LQA as long as they remain employed in the same NAFI at the same duty location. This includes former APF employees who retained LQA under the provision of (2) above. If the employing NAFI merges with another NAFI or is divided into more than one NAFI, or the employee is involuntarily reassigned to another location within the same NAFI, the quarters allowance will continue. This provision will not be used to establish eligibility for an employee not already receiving a quarters allowance.

b. Quarters Allowance Administration.

(1) Documentation. When quarters allowance is granted, CPACs will require an official document, such as a rental contract, to determine the cost of the quarters. CPACs will help employees determine accurate estimates for utility costs. Employees will

provide an initial receipt for each utility when it is received, but not later than 15 months after initiation of the grant.

(2) Personally Owned Quarters. During the 10-year period of eligibility for receiving the rental portion of LQA for personally owned quarters, payment will be limited to the lesser of the amount the employee pays for the quarters or 10 percent of the purchase price (or appraised value for acquired quarters), not to exceed the maximum rates authorized by the DSSR.